

Renewable Resource Grant and Loan Program

Application Supplement

Uniform Application for Public Facility Projects

APPLICATION DEADLINE MAY 16, 2022

**Department of Natural Resources and Conservation
Resource Development Bureau**

**P.O. Box 201601
1539 Eleventh Avenue, Floor 2
Helena, Montana 59620-1601**

**Telephone: (406) 444-6668
www.dnrc.mt.gov**

Apply Online: www.grants.dnrc.mt.gov



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The Renewable Resource Grant and Loan Program Instructions for Grant and Loan Applications

General Information

The Montana Legislature established the Renewable Resource Grant and Loan (RRGL) Program to enhance and develop Montana's renewable resources. The Resource Development Bureau of the Department of Natural Resources and Conservation (DNRC) administers the program. The RRGL Program is funded through earnings from certain natural resource-based taxes. Use this application to apply for Renewable Resource Grants and Loans.

Public Facility Project Applications

Applicants for Public Facility projects (drinking water, wastewater, and solid waste projects) must submit the Uniform Application for Montana Public Facility Projects and the RRGL Application Supplement to the Uniform Application.

Submittal Information

DNRC requires two (2) forms of the application to meet the needs of multiple reviewers during the evaluation, scoring and ranking process. All grant and loan applicants (public and non-public facility) must submit all required materials **(1. Submitted Online)** and **(2. Submitted by Mail)** by **May 16, 2020**.

1. Submitted Online:

Online applications can be found online <http://dnrc.mt.gov/divisions/cadd> and submitted at <http://grants.dnrc.mt.gov>

2. Submitted by Mail:

- I. One (1) original Authorizing Statement.
- II. One (1) unbound original application and all supporting documentation. Public Facility Projects will include a copy of the signed Preliminary Engineering Report (PER).
- III. \$250.00 application fee (online or check by mail).

Mail to: MT DNRC RRGL Program, PO BOX 201601, Helena MT 59620

Application Deadline

Application forms must be submitted online at <http://grants.dnrc.mt.gov> and additional documents must be postmarked to the DNRC office **no later than 5:00 p.m. day May 16, 2020**. If you have questions, please contact our office at (406) 444-6668.

Applicant Eligibility

Grants and Loans for Government Entities

Eligible applicants include any division of state government, tribal government, or other county, city, or local political subdivision. These governmental entities have included cities, towns, counties, county conservation districts, water and sewer districts, school districts, irrigation districts, joint boards of control, state agencies, and universities.

Project Eligibility

Project types eligible for funding are specified in 85-1-602, Montana Code Annotated (MCA).

- [1] *Either grants or loans may be provided to fund the following types of projects:*
- (a) *feasibility, design, research, and resource assessment studies;*
 - (b) *preparation of construction, rehabilitation, or production plans; and*
 - (c) *construction, rehabilitation, production, education, or other implementation efforts.*

Projects must enhance the common well-being of Montanans through the conservation, management, development, or preservation of a targeted renewable resource. Renewable resource projects, including water conservation, water for public, agricultural use or other beneficial uses, water quality, forestry, air quality, resource education, waste management, and other renewable resource-related projects are eligible to receive grant and loan funding.

Funding Limitations

Grants

The Montana Legislature appropriates funds directly to each project, based on amounts recommended by DNRC. DNRC limits grant funding recommendations to a maximum of **\$125,000** for any one renewable resource project.

Loans

DNRC does not have a standard limit on the recommended loan amount. The limit is based on the applicant's ability to repay the loan. Local governments enter into debt by issuing bonds. Drinking water and wastewater projects are encouraged to apply to the State's Revolving Fund (SRF) Loan Programs. These SRF Loan Programs are specifically designed to provide below-market interest rates for these types of systems. However, some renewable resource projects are not eligible for funding under the SRF Programs. For more information, see: <http://dnrc.mt.gov/divisions/cardd/financial-bureau>.

Renewable Grant and Loan Application Ranking Criteria

Projects funded under the Renewable Resource Grant and Loan (RRGL) Program must result in resource and citizen benefits, be financially feasible, have no significant environmental impacts, have an adequate project management plan, and be technically feasible.

After DNRC receives applications, projects are reviewed based on ranking criteria, compared with

other applications, and ranked on how the project meets RRGL Program goals. A summary of the program's ranking criteria is below.

Eligibility Criteria

An application is eligible if:

- The project results in benefits to at least one renewable resource and is technically and financially feasible;
- The application is complete; and
- The project has no long term adverse environmental impacts.

Renewable Resource Benefits (60 percent of total score)

This scoring category is influenced by how likely the project will benefit renewable resources. Specifically, how the project will conserve, manage, develop, or preserve a renewable resource. Renewable Resource benefits will score higher in applications which **quantify predicted benefits**.

The renewable resource benefit score is based on the degree to which the project is predicted to:

- Have multiple benefits (conserve, manage, develop, protect);
- Benefit multiple renewable resources (surface water, groundwater, land, energy, etc.);
- Benefit regional or statewide renewable resources;
- Benefit an important resource (such as a blue-ribbon trout stream); and
- Achieve an objective in a natural resource management plan (such as the State Water Plan).

Additional tips for improving your score for resource and citizen benefits are listed at the end of Part 3 of this application.

Public or Citizen Benefits (15 percent of total score)

This scoring category is influenced by how likely the project will benefit the public economically or by improving public health and safety.

The citizen benefit score is based on the degree to which the project is predicted to:

- Benefit the local economy (e.g. increase the number of jobs, increase the local recreational use, increase the economic viability of a community);
- Benefit a regional or statewide economy; and
- Improve public health and safety.

Public benefits will score higher in applications that **quantify anticipated benefits**.

Technical and Financial Feasibility and Project Management (20 percent of total score)

This scoring category evaluates the applicant's ability to complete the project as described in the application.

Project feasibility is evaluated based on the degree to which the proposed project meets the following criteria:

- The project solves or mitigates a renewable resource problem.
- Alternatives considered address the stated problem and are developed to the extent costs and benefits can be compared.
- Selection of the preferred alternative is justified.

- Selection of the preferred alternative considers renewable resource benefits.
- The preferred alternative is technically feasible.
- Costs are reasonable and within industry standards.
- The expected funding sources are supported with documentation.
- The applicant considers timing and cost of DNRC reporting, permitting, public input, procurement, and other contingencies.
- The project management plan demonstrates the applicant's ability to anticipate problems and successfully complete the project.

Application Clarity and Project Value (5 percent of total score)

Reviewers evaluate projects based solely on information provided in the application.

Applications with the following attributes will receive higher scores in this category:

- All requested information is provided as outlined in the application.
- Narratives are clearly written.
- Assertions are supported by documentation.
- The project has documented public or stakeholder support.
- The project is part of a natural resource management plan (e.g. the State Water Plan).

Renewable Resource Grant and Loan Program

Application Checklist

This application is composed of the following parts. Each part is required to submit a complete application.

- 1. **Part 2: Proposal Abstract**
- 2. **Part 3: Resource and Citizen Benefits**
- 3. **Part 5: Project Management**
- 4. **Authorizing Statement submitted to DNRC with application materials and application fee.**
- 5. **One (1) Unbound Application including supporting documentation submitted to DNRC by application deadline.**
- 5. **Online application <http://grants.dnrc.mt.gov>**

Part 2: Proposal Abstract

Prepare a brief project description that highlights the project's benefits supporting the RRGL Program purpose. The abstract, along with the project photograph, will be used for legislative approval and purposes.

Renewable Resource Grant and Loan Program Purpose

Invest in projects that will enhance or develop Montana's renewable resources and that will preserve for the citizens of Montana the economic and other benefits of the state's natural heritage.

The abstract should include the project background, primary purpose, and a summary description of the project. **Keep the abstract concise and less than 350 words.** The abstract will be incorporated into the RRGL Program's report to the Montana Legislature and provide accurate information that best describes the project's renewable resource benefits and other merits. Legislative assessment of the benefits of each project will be based primarily on ranking recommendations and this abstract.

Example: Alberton is in Mineral County along the Clark Fork River, roughly 30 miles west of Missoula. The population served by the water system is approximately 423 people. The water system utilizes a gravity spring and municipal well that both feed a 300,000-gallon metal storage tank.

Some primary deficiencies have been listed in the Alberton Water System Technical Report submitted for Renewable Resource Grant and Loan funding. During the winter months, the spring source alone supplies enough water to the tank, but during summer months, when irrigation occurs, the use of the well source is required to keep the tank full. The spring is disinfected with chlorine gas, which is a dangerous method of chlorination, and the chlorination building does not meet Montana Department of Environmental Quality's (DEQ) Circular DEQ-1 standards for safety. When the tank is full, the chlorinated spring water still flows into the tank and continuously overflows the tank and is discharged to surface and groundwater. The well source is not disinfected which makes chlorine residuals in the distribution system variable and unreliable during the summer months when both sources are being utilized. The well system also lacks source control, and therefore when the tank is getting low, the operator is required to hand start the well pump to fill the tank. Additionally, flow meters do not exist at either source and system losses cannot be accurately determined, resulting in needed repairs likely going unnoticed.

Other primary deficiencies that will be addressed in future phases of improvements include undersized and dead-end watermains, inadequate storage capacity for fire demands, and lack of security at the spring and tank site.

Part 3: Resource and Citizen Benefits

Describe how and to what extent your project would benefit a renewable resource. Projects with the greatest benefits to renewable resources tend to rank the highest. Provide a narrative addressing the following questions.

Resource and Citizen Benefits Narrative

1. What is the primary purpose of your project?

Describe the primary project purpose even if it may not benefit renewable resources. The RRGL Program is in place not to only encourage projects designed exclusively to benefit or develop renewable resources. It also encourages communities to include resource benefit activities in their larger projects.

2. What is the project's renewable resource benefit?

A. Identify the renewable resource(s) that will benefit from or be used by your project.

- Eligible renewable resources are surface water, groundwater, arable land, wetlands, riparian areas, fish, habitat, rangeland, renewable energy sources, and forests.
- Use the specific name and location of the resource(s).
- Is the resource important or highlighted (e.g. a blue-ribbon trout stream or an aquifer that is a drinking water source)?

B. Describe how the renewable resource will benefit or be used by your project.

- Describe the problem with the renewable resource that your project will address.
- In what way will your project conserve, manage, develop, or preserve the renewable resource? Under what time frame and for how long?
- Will the benefits or increase in sustainable use be measurable? If so, provide an estimate and a description of how you quantified the benefit.
- If your project is part of a natural resource plan, describe the plan and include a letter of support.

3. What is your project's citizen benefits?

Identify the citizen benefits that will result from your project.

- Describe the problem with the resource that your project will address.
- What is the economic benefit of the project? Will it be measurable? If so, provide an estimate. (e.g. Number of jobs created over a given period). Is the economic benefit local or region-wide?
- Does the project improve resource-based recreation? Is there a local or region-wide benefit?
- Describe how the project will improve health and safety. Is the benefit region-wide, community-wide, or does it primarily benefit a specific business such as an irrigation district?

4. What is the project's renewable resource benefit?

- Describe the extent of the resource benefits? Acres, miles, etc...

Example: Preserve 2.5 miles of streambank habitat OR conserve 23,000 kW of energy.

Tips for Improving the Resource and Citizen's Benefits Score

How the project is predicted to benefit renewable resources and Montana citizens comprises 75% of scoring criteria.

- Quantify predicted benefits.
- Attach letters of support.
- Document public or stakeholder outreach.
- Projects with multiple benefits or that improve or develop multiple resources score higher.
- Projects without predictable impacts to renewable resources (e.g. research or education) may improve their score by describing how a similar project benefited renewable resources elsewhere.
- If your project is part of a resource management plan, cite the location in the plan that recommends the project and include a support letter from the organization that implements the plan.

Part 5: Project Management

Describe the project management plan. Applications which do not address the project management components listed below may be ineligible for funding consideration.

Project Management Narrative

Briefly discuss how you will implement this project from funding through project completion in **500 words or less**. Use the outline below to organize your presentation. This outline is not all-inclusive; you may address other topics.

1. Identify staff requirements needed for successful project management. Discuss how you plan to meet those requirements. If possible, identify the individual members of your project management team, including any already properly procured consultants who will provide project management services.
 2. Summarize the procurement procedures and requirements related to your project.
 3. Discuss coordination activities with other local, state, or federal agencies needed to implement the project and if the plan is part of another on-going or planned action.
 4. Discuss your public involvement plans during the planning and implementation of your project through completion and closeout.
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1. Describe how you will manage consultants responsible for completing major project tasks. Discuss how you will remain current on the status of consultant and contractor activities as project tasks are completed.
 2. All projects must follow applicable state, federal and local laws.

If you are developing a new water appropriation that is water storage, water conservation, water salvage or water reuse project, or changing an existing water right with the project, contact your local DNRC Regional Office and have your project reviewed.

- Attach a letter to this application that indicates if a permit, change authorization or no action is required.
- If the DNRC determines the proposed project to be developing state water through the application evaluation it may affect your ability to receive funding through the RRGL program.

Activities that occur in designated Sage Grouse habitat are subject to Executive Order 12-2015. Consult with the Sage Grouse Habitat Conservation Program prior to submitting a grant or loan application.

- See the program webpage for more information: <https://sagegrouse.mt.gov>